



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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August 22, 2003

TO: Agency Directors

FROM: Marty Brown, Director *MB*

SUBJECT: 2003-05 VOLUNTARY SEPARATION AND DOWNSHIFTING PROGRAM GUIDELINES

I am forwarding the new 2003-05 Voluntary Separation Program Guidelines, which have been adopted by the Department of Personnel and the Department of Retirement Systems, in consultation with the Office of Financial Management (OFM). This program was reauthorized for the 2003-05 Biennium in the biennial operating budget (Chapter 25, Laws of 2003, Sections 908 and 909). It provides tools for your use in meeting changing staffing needs, while reducing the impact of these changes on employees.

The guidelines allow a good deal of flexibility in designing a plan and, while I encourage you to explore alternatives that meet your particular situation, it is important that plans clearly specify the business needs that are to be addressed and the criteria for participation that will be used. It is our recommendation that each agency develop internal policies and procedures governing the application of the Voluntary Separation and Retirement Incentive Program prior to implementation. Each agency should assign a designee to respond to their employees' questions concerning the application of those guidelines within that agency.

The guidelines for the current biennium include a few minor changes from the previous biennium's program, including the ability to offer downshifting options for a minimum of one year. The general parameters have been changed to include a requirement for the agencies to obtain a written separation agreement from the employee indicating they have read, understand, and agree to abide by the provisions of the guidelines.

Agencies planning to participate should submit their plans to OFM for approval by OFM, the Department of Retirement Systems, and the Department of Personnel. Agencies with approved plans will also be required to report the results of their program to OFM for submission to the Legislature. I want to emphasize the importance of prior approval in ensuring that the program meets your needs, conforms to program requirements, and benefits from the experiences of the previous biennium.

Attachment

cc: Denise McKay, Department of Personnel
Steve Nelsen, Department of Retirement Systems
Jane Sakson, Office of Financial Management